

AMENDED IN SENATE APRIL 18, 2007

**SENATE BILL**

**No. 1002**

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**Introduced by Senator Perata**

February 23, 2007

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An act to add Division 33 (commencing with Section 83000) to the Water Code, relating to water, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 1002, as amended, Perata. ~~Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006.~~ *Water quality, flood control, water storage, and wildlife preservation.*

*(1) Under existing law, various bond acts have been approved by the voters to provide funds for water projects, facilities, and programs. The Disaster Preparedness and Flood Prevention Bond Act of 2006, a bond act approved by the voters at the November 7, 2006, statewide general election, authorizes the issuance of bonds in the amount of \$4,090,000,000 for the purposes of financing disaster preparedness and flood prevention projects. The Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006, an initiative bond act approved by the voters at the November 7, 2006, statewide general election, authorizes the issuance of bonds in the amount of \$5,388,000,000 for the purposes of financing a safe drinking water, water quality and supply, flood control, and resource protection program. The Costa-Machado Water Act of 2000 authorizes, for the purposes of financing a safe drinking water, water quality, watershed protection, and flood protection program, the issuance of bonds in the amount of \$1,970,000,000. The Water Security, Clean*

*Drinking Water, Coastal and Beach Protection Act of 2002, approved by the voters at the November 5, 2002, statewide general election, authorizes, for the purposes of financing a safe drinking water, water quality, and water reliability program, the issuance of bonds in the amount of \$3,440,000,000.*

*This bill, with regard to those bond funds, would appropriate \$475,500,000 as follows: of the funds made available pursuant to the Disaster Preparedness and Flood Prevention Bond Act of 2006, \$50,000,000 to the Department of Water Resources for essential emergency preparedness supplies and projects, and \$150,000 to the department for stormwater flood management project grants; of the funds made available pursuant to the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006, \$50,000,000 to the State Department of Public Health for grants for small community drinking water systems infrastructure improvements and related actions, \$15,000,000 to the department to complete feasibility studies associated with new surface storage under the California Bay-Delta Program, and \$15,000,000 to the department for the development of a plan for the reoperation of the state's flood protection and water supply systems; of the funds made available pursuant to the Costa-Machado Water Act of 2000, \$22,000,000 to the State Water Resources Control Board for water recycling project grants, \$160,000,000 to the department for grants for water conservation projects, groundwater recharge facilities, urban water conservation projects, and infrastructure rehabilitation projects, and \$125,000,000 to the department for projects to reduce losses of all life stages of fish to water diversions in the San Joaquin River and the Sacramento-San Joaquin Delta; and of the funds made available pursuant to the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002, \$12,500,000 to the department for contaminant and salt removal technologies, and \$20,000,000 for implementation of the Franks Tract Pilot Project.*

*(2) The Safe, Clean, Reliable Water Supply Act authorizes the issues of bonds in the amount of \$995,000,000 for the purposes of financing prescribed water programs.*

*This bill would require that the funds made available pursuant to the act be expended as follows: \$25,000,000 on acquiring and restoring habitat for delta smelt and other pelagic fish species; \$18,000,000 on project to improve water quality in the Sacramento-San Joaquin Delta; and \$200,000,000 on prescribed Bay-Delta Ecosystem Projects.*

~~The Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 authorizes the issuance of bonds in the amount of \$5,388,000,000 for the purpose of financing a safe drinking water, water quality and supply, flood control, and resource protection program. Of these bond funds, the bond law makes available \$180,000,000, upon appropriation to the State Department of Public Health, for grants for small community drinking water infrastructure improvements and related actions to meet safe drinking water standards. The bond law also makes available \$65,000,000, upon appropriation, to the Department of Water Resources, for planning and feasibility studies relating to existing and potential future needs for water supply, conveyance, and flood control systems.~~

~~This bill, with regard to those bond funds, would appropriate \$80,000,000 to the Controller for allocation as follows: \$50,000,000 to the State Department of Public Health for grants for small community drinking water systems infrastructure improvements and related actions to meet safe drinking water standards; \$15,000,000 to the Department of Water Resources to complete feasibility studies associated with new surface storage under the California Bay-Delta Program; and \$15,000,000 to the Department of Water Resources for the development of a plan for the reoperation of the state's flood protection and water supply systems.~~

~~This bill would declare that it is to take effect immediately as an urgency statute.~~

~~Vote:  $\frac{2}{3}$ . Appropriation: yes. Fiscal committee: yes.  
State-mandated local program: no.~~

*The people of the State of California do enact as follows:*

- 1     SECTION 1. Division 33 (commencing with Section 83000)
- 2     is added to the Water Code, to read:
- 3
- 4             DIVISION 33. INTEGRATED WATER SUPPLY AND
- 5             FLOOD PROTECTION PLANNING, DESIGN, AND
- 6                     IMPLEMENTATION
- 7
- 8     83000. The Legislature hereby finds and declares all of the
- 9     following:
- 10    (a) Water is vital to the economy, environment, and overall
- 11    well-being of the state.

1 (b) California faces increasing challenges in managing its water  
2 supply due to climate change, uncertainty regarding the availability  
3 of water from the Sacramento-San Joaquin Delta and other sources,  
4 an increasing state population, limitations on public funds, and  
5 other factors.

6 (c) California must adopt a new, updated, and comprehensive  
7 set of water planning, design, and implementation policies that  
8 reflect these realities to protect its water supply future.

9 (d) In the past, state laws, funding schemes, and administrative  
10 actions have treated the planning, construction, and operation of  
11 water supply, groundwater, and flood control systems as separate  
12 and distinct activities, thereby reducing efficiency and water supply  
13 reliability.

14 (e) California has not taken full advantage of the cost savings,  
15 the environmental benefits, or the expediency of more efficient  
16 operations and usage of existing water supply, storage, and flood  
17 protection facilities.

18 (f) It is the policy of the state to more effectively integrate its  
19 flood protection systems with its water supply and conveyance  
20 systems in order to conserve limited public dollars, increase the  
21 available water supply, improve water quality, increase wildlife  
22 and ecosystem protections, protect public health and safety, and  
23 address the effects of climate change.

24 (g) The purpose of this division is to require the integration of  
25 flood protection and water systems to achieve multiple public  
26 benefits, including all of the following:

27 (1) Increasing water supply reliability in the least costly, most  
28 efficient, and most reliable manner to meet current and future state  
29 needs.

30 (2) Increasing use of water use efficiency and water conservation  
31 measures to increase and extend existing water supplies.

32 (3) Reducing energy consumption associated with water  
33 transport, thereby reducing state greenhouse gas emissions.

34 (4) Improving water management to protect and restore  
35 ecosystems and wildlife habitat.

36 83001. In order to provide the least costly, most efficient, and  
37 reliable water supply to a growing state, it is the intent of the  
38 Legislature that the department accomplish the following  
39 objectives:

40 (a) Integrate state flood protection and water supply systems.

1 (b) Promote conjunctive use of groundwater storage capacity  
2 to improve overall water supply and flood system operation.

3 (c) Promote increased water use efficiency through expanded  
4 use of water conservation, water recycling, and improvements in  
5 technology.

6 ~~83002. Of the funds made available pursuant to Division 43~~  
7 ~~(commencing with Section 75001) of the Public Resources Code,~~  
8 ~~the sum of eighty million dollars (\$80,000,000) is hereby~~  
9 ~~appropriated to the Controller for allocation as follows:~~

10 ~~(a) Pursuant to Section 75022 of the Public Resources Code,~~  
11 ~~the sum of fifty million dollars (\$50,000,000) to the State~~  
12 ~~Department of Public Health for grants for small community~~  
13 ~~drinking water system infrastructure improvements and related~~  
14 ~~action to meet safe drinking water standards. First priority for these~~  
15 ~~funds shall be given to disadvantaged communities lacking~~  
16 ~~resources to provide safe drinking water to residents.~~

17 ~~(b) Pursuant to Chapter 4 (commencing with Section 75041) of~~  
18 ~~Division 43 of the Public Resources Code, the sum of thirty million~~  
19 ~~dollars (\$30,000,000) to the department as follows:~~

20 ~~(1) (A) Fifteen million dollars (\$15,000,000) to complete the~~  
21 ~~feasibility studies associated with new surface storage under the~~  
22 ~~California Bay-Delta Program.~~

23 ~~(B) The feasibility studies funded pursuant to this paragraph~~  
24 ~~shall include the following information:~~

25 ~~(i) The identification of specific construction and operation~~  
26 ~~conditions proposed for each surface storage facility, including~~  
27 ~~consideration of climate change, an estimated schedule for the~~  
28 ~~construction and completion of each project, and the total costs of~~  
29 ~~constructing each project.~~

30 ~~(ii) A description of the estimated total costs to construct each~~  
31 ~~project and an allocation of the costs to public and private~~  
32 ~~beneficiaries.~~

33 ~~(C) The feasibility studies financed pursuant to this paragraph~~  
34 ~~shall be prepared and submitted to the Governor and the Legislature~~  
35 ~~no later than March 1, 2008.~~

36 ~~(2) (A) Fifteen million dollars (\$15,000,000) for the~~  
37 ~~development of a plan for the reoperation of the state's flood~~  
38 ~~protection and water supply systems that will optimize the use of~~  
39 ~~existing facilities and groundwater storage capacity.~~

~~(B) This plan shall incorporate appropriate climate change scenarios and be designed to achieve all of the following objectives:~~

~~(i) Integration of flood protection and water supply systems to increase water supply reliability and flood protection, improve water quality, and provide for ecosystem protection and restoration.~~

~~(ii) Reoperation of existing reservoirs, flood facilities, and other water facilities in conjunction with groundwater storage to improve water supply reliability, flood control, and ecosystem protection and to reduce groundwater overdraft.~~

~~(iii) Promotion of more effective groundwater management and protection and greater integration of groundwater and surface water resource uses.~~

~~(iv) Improvement of existing water conveyance systems to increase water supply reliability, improve water quality, expand flood protection, and protect and restore ecosystems.~~

*83002. The sum of four hundred seventy-five million five hundred thousand dollars (\$475,500,000) is hereby appropriated as follows:*

*(a) Of the funds made available pursuant to Chapter 1.699 (commencing with Section 5096.800) of Division 5 of the Public Resources Code, the sum of two hundred million dollars (\$200,000,000) is hereby allocated to the Controller as follows:*

*(1) Pursuant to subdivision (c) of Section 5096.821 of the Public Resources Code the sum of fifty million dollars (\$50,000,000) to the department for the acquisition, design, and construction of essential emergency preparedness supplies and projects. Prior to the design or construction of any project funded pursuant to this paragraph, the California Bay-Delta Authority, or its successor, shall approve the specific project or program.*

*(2) Pursuant to Section 5096.827 of the Public Resources Code the sum of one hundred fifty million dollars (\$150,000,000) to the department for grants for storm water flood management projects that reduce flood damage and provide other benefits, including groundwater recharge, water quality improvement, and ecosystem restoration.*

*(b) Of the funds made available pursuant to Division 43 (commencing with Section 75001) of the Public Resources Code, the sum of eighty million dollars (\$80,000,000) is hereby allocated to the Controller as follows:*

1     (1) Pursuant to Section 75022 of the Public Resources Code,  
2     the sum of fifty million dollars (\$50,000,000) to the State  
3     Department of Public Health for grants for small community  
4     drinking water system infrastructure improvements and related  
5     action to meet safe drinking water standards. First priority for  
6     these funds shall be given to disadvantaged communities lacking  
7     resources to provide safe drinking water to residents.

8     (2) Pursuant to Chapter 4 (commencing with Section 75041) of  
9     Division 43 of the Public Resources Code, the sum of thirty million  
10    dollars (\$30,000,000) to the department as follows:

11    (A) Fifteen million dollars (\$15,000,000) to complete the  
12    feasibility studies associated with new surface storage under the  
13    California Bay-Delta Program.

14    (B) The feasibility studies shall include the following  
15    information:

16    (i) The identification of specific construction and operation  
17    conditions proposed for each surface storage facility, including  
18    consideration of climate change, an estimated schedule for the  
19    construction and completion of each project, and the total costs  
20    of constructing each project.

21    (ii) A description of the estimated total costs to construct each  
22    project and an allocation of the costs to public and private  
23    beneficiaries.

24    (C) The feasibility studies shall be prepared and submitted to  
25    the Governor and the Legislature no later than March 1, 2008.

26    (3) (A) Fifteen million dollars (\$15,000,000) for the  
27    development of a plan for the reoperation of the state's flood  
28    protection and water supply systems that will optimize the use of  
29    existing facilities and groundwater storage capacity.

30    (B) This plan shall incorporate appropriate climate change  
31    scenarios and be designed to achieve all of the following  
32    objectives:

33    (i) Integration of flood protection and water supply systems to  
34    increase water supply reliability and flood protection, improve  
35    water quality, and provide for ecosystem protection and  
36    restoration.

37    (ii) Reoperation of existing reservoirs, flood facilities, and other  
38    water facilities in conjunction with groundwater storage to improve  
39    water supply reliability, flood control, and ecosystem protection  
40    and to reduce groundwater overdraft.

1     (iii) *Promotion of more effective groundwater management and*  
2 *protection and greater integration of groundwater and surface*  
3 *water resource uses.*

4     (iv) *Improvement of existing water conveyance systems to*  
5 *increase water supply reliability, improve water quality, expand*  
6 *flood protection, and protect and restore ecosystems.*

7     (c) *Of the funds made available pursuant to Division 26*  
8 *(commencing with Section 79000), the sum of one hundred*  
9 *sixty-three million dollars (\$163,000,000) is hereby allocated to*  
10 *the Controller as follows:*

11     (1) *Pursuant to subdivision (a) of Section 79137, the sum of*  
12 *twenty-two million dollars (\$22,000,000), to the state board for*  
13 *grants for water recycling projects.*

14     (2) *Pursuant to Chapter 8 (commencing with Section 79150) of*  
15 *Division 26, the sum of sixteen million dollars (\$16,000,000) to*  
16 *the department for grants for water conservation projects,*  
17 *groundwater recharge facilities, urban water conservation projects*  
18 *and infrastructure rehabilitation projects.*

19     (3) *Pursuant to Article 3 (commencing with Section 79190) of*  
20 *Chapter 9 of Division 26, the sum of one hundred twenty*  
21 *five-million dollars (\$125,000,000) to the department for the design*  
22 *and construction of demonstration fish screens at the Clifton Court*  
23 *Forebay and other projects to reduce losses of all life stages of*  
24 *fish to water diversions in the San Joaquin River and the delta.*  
25 *Prior to commencing any project or program funded pursuant to*  
26 *this section, the California Bay-Delta Authority, or its successor,*  
27 *shall approve the specific project or program.*

28     (d) *Of the funds made available pursuant to Division 26.5*  
29 *(commencing with Section 79500), the sum of thirty-two million*  
30 *five hundred thousand dollars (\$32,500,000) is hereby allocated*  
31 *to the Controller as follows:*

32     (1) *Pursuant to Chapter 6 (commencing with Section 79545) of*  
33 *Division 26.5, the sum of twelve million five hundred thousand*  
34 *dollars (\$12,500,000) to the department for contaminant and salt*  
35 *removal technologies.*

36     (2) *Pursuant to subdivision (b) of Section 79550 the sum of*  
37 *twenty million dollars (\$20,000,000) for the implementation of the*  
38 *Franks Tract Pilot Project.*

39     83003. *The Legislature further finds and declares the following:*



1     (a) Last November, the voters approved nine billion five hundred  
2 thousand dollars (\$9,000,500,000) in general obligation bonding  
3 authority to improve flood protection, water supply reliability,  
4 water quality, fish and wildlife, parks and open space, and other  
5 natural resources. This is in addition to the eleven billion one  
6 hundred thousand dollars (\$11,000,100,000) previously authorized  
7 by the voters since 1996 for similar uses.

8     (b) The Legislative Analyst reports that at the end of the  
9 2006–07 fiscal year, more than one billion two hundred thousand  
10 (\$1,000,200,000) of the previously authorized eleven billion one  
11 hundred thousand (\$11,000,100,000) will not have been  
12 appropriated or otherwise committed for voter-approved uses.

13     (c) Before the voters are asked to approve additional bonded  
14 indebtedness for water and other natural resources uses, previously  
15 authorized debt should be committed to the those uses as approved  
16 by the voters.

17     83004. (a) Of the funds made available pursuant to Division  
18 24 (commencing with Section 78500), the sum of two hundred  
19 forty-three million dollars (\$243,000,000) shall be expended as  
20 follows:

21     (1) Pursuant to Article 2 (commencing with Section 78530) of  
22 Chapter 4 of Division 24, the Department of Fish and Game shall  
23 expend eleven million dollars (\$11,000,000) on acquiring and  
24 restoring habitat for delta smelt and other pelagic fish species.

25     (2) Pursuant to Article 3 (commencing with Section 78535) of  
26 Chapter 4 of Division 24, the Secretary of the Resources Agency  
27 shall expend fourteen million dollars (\$14,000,000) on acquiring  
28 and restoring habitat for delta smelt and other pelagic fish species.

29     (3) Pursuant to Article 5 (commencing with Section 78681) of  
30 Chapter 6 of Division 24, the department shall expend eighteen  
31 million dollars (\$18,000,000) on projects to improve water quality  
32 in the Bay-Delta.

33     (4) Pursuant to Chapter 7 (commencing with Section 78684) of  
34 Division 24, the Secretary of the Resources Agency shall expend  
35 two hundred million dollars (\$200,000,000) on the following  
36 Bay-Delta Ecosystem Projects:

37     (A) Acquiring and restoring habitat for delta smelt and other  
38 pelagic fish species.

1     (B) *Designing and implementing projects and programs to*  
2     *reduce, with the goal of eliminating the impact of invasive species*  
3     *on the delta ecosystem.*

4     (C) *Designing and implementing projects and programs to*  
5     *reduce, with the goal of eliminating toxic materials and other*  
6     *pollutants that adversely affect the delta ecosystem.*

7     (b) *Prior to commencing any project or program funded*  
8     *pursuant to this section, the California Bay-Delta Authority, or*  
9     *its successor, shall approve the specific project or program.*

10    SEC. 2. This act is an urgency statute necessary for the  
11    immediate preservation of the public peace, health, or safety within  
12    the meaning of Article IV of the Constitution and shall go into  
13    immediate effect. The facts constituting the necessity are:

14    In order to integrate flood protection and water systems to  
15    achieve multiple public benefits at the earliest date, it is necessary  
16    that this act take immediate effect.